

SENT VIA EMAIL

December 7, 2011

Jim Unland
President
San Jose Police Officers' Association
1151 North Fourth Street
San Jose, CA 95112

RE: Sick Leave Payout Negotiations

Dear Jim:

On September 30, 2011, we sent you a letter regarding the City's interest in commencing the sick leave payout negotiations. The City subsequently offered to meet with the POA regarding these negotiations.

On October 4, 2011, the POA's General Counsel sent a letter and indicated that the joint retirement reform proposal submitted by IAFF, Local 230 and the POA on September 28, 2011, included changes to sick leave payout. The letter sent on October 4th further states that the POA believes that the sick leave payout issue is best dealt with at the retirement negotiations table. Since then, retirement proposals made by the POA have included a proposal on sick leave proposal. As you know, the City continues to be unable to accept the Union's proposal.

The agreement reached with the POA on June 3, 2011, included a side letter to negotiate over the sick leave payout benefit. This side letter is separate and apart from any side letter related to retirement issues. As we have communicated, the City wishes to proceed with negotiations related to sick leave payout.

The City provided you a proposal on sick leave payout on September 30, 2011. The City provides the enclosed counter proposal. The City is interested in moving forward

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with this process. Please provide the POA's availability during the month of December to meet and confer regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Donnelly', written in a cursive style.

Gina Donnelly
Deputy Director of Employee Relations

c: Alex Gurza, Deputy City Manager
John Tennant, POA General Counsel
Gregg McLean Adam, Carroll, Burdick & McDonough LLP

Enclosure

CITY PROPOSAL – SICK LEAVE PAYOUT

Proposed Language

Effective July 1, 2012, the sick leave payout benefit shall cease.

This language is intended to replace the language in:

- *Articles 31.2 through 31.2.7 of the POA Memorandum of Agreement.*